

State announces additional \$28 million in drug suit settlements

New settlements totaling \$28 million have been negotiated between the state and several drug manufacturers, bringing the total recovered by the state in its ongoing Average Wholesale Price (AWP) litigation to nearly \$35 million.

The settlements were announced December 23 by Alabama Attorney General Troy King as the state prepares for its fourth trial, set for February 9 in Montgomery Circuit Court. More than 70 lawsuits have been filed against drug manufacturers for inflating the price paid by Medicaid for prescription drugs between 1991 and 2005. Three verdicts, representing more than \$250 million, have been reached in the state's favor although all three decisions have been appealed to the Alabama Supreme Court.



Commissioner Carol Steckel and Alabama Attorney General Troy King look over the list of drug company settlements.

"These settlements show my office is not going to sit idly by and let these companies steal from the neediest in Alabama," King said.

Commissioner Carol Steckel expressed her appreciation to King and to the law firms involved in the cases, Hand Arendall of Mobile and Beasley Allen of Montgomery, for their perseverance on behalf of the state's more than 900,000 Medicaid recipients. "The cooperative efforts of our legal team have made it possible for the state of Alabama to recover funds that were meant to benefit the neediest and most vulnerable citizens of this state, including our poor, our disabled, our elderly and our children," she said.

Companies the state has settled lawsuits with and the amounts include: Roxanne Laboratories/Boehringer Ingelheim, \$9.5 million; Bayer Pharmaceuticals, \$2 million; Amgen Inc., Immunex, \$3.5 million; Bristol-Myers Squibb, \$11 million; Ethex Corporation/KV Pharmaceuticals, \$2 million; and Takeda Pharmaceuticals, \$2 million; Dey L.P., \$4.75 million.